

Inpatient Hospital Services Limitations

1. Services shall be ordered by a physician and shall be related specifically to the present diagnosis of the Consumer.
2. Rehabilitation therapy is limited to that which is restorative in nature and provided following physical debilitation due to acute physical trauma or physical illness.
3. Prosthetic devices provided by a hospital are limited to those that replace all or part of an internal body organ, including replacement of these devices.
4. Elective surgery is noncovered with the exception of elective sterilization procedures.
5. Transplant surgery is limited to corneal, kidney, bone marrow, and liver transplants and related services. Procurement of the organ is covered.
6. Inpatient acute care related to psychiatric services is limited to stays in which the psychiatric plan of care is directed by a psychiatrist and in which psychotherapy is provided on a daily basis. Individuals admitted to psychiatric care must have received an assessment to determine appropriate care level before services are reimbursed.
7. Sterilization and abortions are covered in accordance with current federal regulation.
8. Discharge days are noncovered.
9. Long-Term Head Injury Rehabilitation Services:

Services include, but are not limited to, inpatient restorative and rehabilitative therapies designed to prevent physical or mental deterioration, achieve and maintain maximum use of physical or cognitive capabilities and health, and/or restore and retain self-help and adaptive skills necessary to achieve the recipient's discharge from inpatient status at the earliest possible time

These programs are intended to provide active treatment for the purpose of relearning independent living skills for those individuals who have experienced a Traumatic Brain Injury (TBI) and choose to receive services in a Traumatic Brain Injury Rehabilitation Facility. "Active Treatment" is defined as an aggressive and organized effort to fulfill each person's optimal functional capacity.

Recipients of these services must be assessed prior to admission and once admitted must be re-assessed for the need of continued services on a regularly scheduled basis as defined by state law, regulation, and/or policy. Services must be provided in accordance with an individualized treatment plan under the direction of a physician. The activities included in the service must be intended to achieve identified treatment plan goals and measurable, behaviorally-stated objectives.

The need for services is evidenced by:

- The recipient has a diagnosis of Traumatic Brain Injury, defined as a traumatically-acquired, non-degenerative, structural brain injury resulting in residual deficits and disability;
- The services can reasonably be expected to improve the recipient's condition or prevent further regression so that the services will no longer be needed; and
- The individual with TBI requires the provision of services in an institutional setting because of the intensity, duration, or frequency of the need for the services, the lack of appropriate community services to meet those needs, or both.

Service furnished in a Long-Term Head Injury Rehabilitation Facility must satisfy all requirements of subpart G of 42 CFR 483 governing the use of restraint and seclusion.

Provider Qualifications: _A Long-Term Head Injury Rehabilitation Facility must meet the requirements and standards of state certification or licensure, and national accreditation by the Joint Commission on Accreditation of Healthcare Organizations, the Commission on Accreditation of Rehabilitation Facilities, or by any other accrediting organization, with comparable standards, that is recognized by the State.

Services must be furnished by or under the direction of a physician and all staff must meet applicable licensure and certification requirements and adhere to scope of practice definitions of licensure boards.

Private Psychiatric Residential Treatment Facility (PRTF)

These programs are intended to provide active treatment in a structured therapeutic environment for children and youth with significant functional impairments resulting from an identified mental health diagnosis, substance abuse diagnosis, and/or a mental health diagnosis with a co-occurring disorder (i.e. substance related disorders, mental retardation/developmental disabilities, head injury, sexual misuse disorders, or other disabilities which may require stabilization of mental health issues). Such services are provided in consideration of a child's developmental stage.

Services must be provided in accordance with an individualized treatment plan under the direction of a physician. The activities included in the service must be intended to achieve identified treatment plan goals or objectives and be designed to achieve the recipient's discharge from inpatient status at the earliest possible time. Services to be provided must be in accordance with 42 CFR 441.154 - 441.156.

Recipients of these services must be assessed by a Licensed Mental Health Practitioner (LMHP) or physician who is independent of the treating facility, utilizing an assessment consistent with state law, regulation and policy. The LMHP or physician must certify in writing the medical necessity of the psychiatric residential treatment, and after admission must re-certify in writing the need of continued treatment on a regularly scheduled basis as defined by state law, regulation, and/or policy.

The need for services is evidenced by:

- a substantial risk of harm to self or others, or a child who is so unable to care for his or her own physical health and safety as to create a danger to their life; and
- the services can reasonably be expected to improve the recipient's condition or prevent further regression so that the services will no longer be needed; and
- all other ambulatory care resources available in the community have been identified and if not accessed determined to not meet the immediate treatment needs of the youth.

Services furnished in a psychiatric residential treatment facility must satisfy all requirements in subpart G of 42 CFR 483 governing the use of restraint and seclusion.

Provider Qualifications:

A psychiatric residential treatment facility must meet the requirements and standards of state certification or licensure, and national accreditation by the Joint Commission on Accreditation of Healthcare Organizations, the Council on Accreditation of Services for Families and Children, the Commission on Accreditation of Rehabilitation Facilities, or by any other accrediting organization, with comparable standards, that is recognized by the State.

Services must be furnished by or under the direction of a physician and all staff must meet applicable licensure and certification requirements and adhere to scope of practice definitions of licensure boards.

Limitations:

All Medicaid services furnished to individuals residing in a PRTF are considered content of the service.

Federal financial participation is not available in expenditures for any other service to a PRTF resident.

An individual under age 22 who has been receiving this service is considered a resident of the PRTF until he is unconditionally released or, if earlier, the date he reaches age 22.

Reserve days, for periods of absence from a PRTF, will be reimbursed to providers with prior approval.

REHABILITATION SERVICES LIMITATIONS**A. Community-Based Psychiatric Rehabilitation Services**

Community-Based Psychiatric Rehabilitation Services are provided as a comprehensive specialized psychiatric program available to all Medicaid eligibles with significant functional impairments resulting from an identified mental health diagnosis or substance abuse diagnosis. The medical necessity for these rehabilitative service must be determined by a licensed mental health practitioner or physician who is acting within the scope of his/her professional license and applicable state law, and furnished by or under the direction of a physician, to promote the maximum reduction of symptoms and/or restoration of a recipient to his/her best possible functional level.

Limitations:

Services are subject to prior approval, must be medically necessary, must be recommended by a licensed mental health practitioner or physician according to an individualized treatment plan, and must be furnished under the direction of a physician. The activities included in the service must be intended to achieve identified treatment plan goals or objectives. Anyone providing substance abuse treatment services must be licensed under K.S.A. 65-4601, in addition to their scope of practice license.

Medical necessity of the services is determined by a licensed mental health practitioner or physician conducting an assessment consistent with state law, regulation and policy.

Services provided at a work site must not be job tasks oriented. Services provided in an education setting must not be educational in purpose. Any services or components of services the basic nature of which are to supplant housekeeping, homemaking, or basic services for the convenience of a person receiving covered services (including housekeeping, shopping, child care, and laundry services) are non-covered. Services cannot be provided in an institute for mental disease (IMD).

A unit of service is defined according to the HCPCS approved code set unless otherwise specified.

Definitions:

The services are defined as follows:

1. Community Psychiatric Support and Treatment (CPST) are goal directed supports and solution-focused interventions intended to achieve identified goals or objectives as set forth in the consumer's individualized treatment plan. CPST is a face-to-face intervention with the consumer present; however, family or other collaterals may also be involved. The majority of CPST contacts must occur in community locations where the person lives, works, attends school, and/or socializes.

This service may include the following components:

- A. Assist the consumer and family members or other collaterals to identify strategies or treatment options associated with the consumer's mental illness, with the goal of minimizing the negative effects of mental illness symptoms or emotional disturbances or associated environmental stressors which interfere with the consumer's daily living, financial management, housing, academic and/or employment progress, personal recovery or resilience, family and/or interpersonal relationships, and community integration.
- B. Individual supportive counseling, solution focused interventions, emotional and behavioral management, and problem behavior analysis with the consumer, with the goal of assisting the consumer with developing and implementing social, interpersonal, self care, daily living and independent living skills to restore stability, to support functional gains, and to adapt to community living.
- C. Participation in and utilization of strengths based planning and treatments which include assisting the consumer and family members or other collaterals with identifying strengths and needs, resources, natural supports and developing goals and objectives to utilize personal strengths, resources, and natural supports to address functional deficits associated with their mental illness.
- D. Assist the consumer with effectively responding to or avoiding identified precursors or triggers that would risk their remaining in a natural community location, including assisting the consumer and family members or other collaterals with identifying a potential psychiatric or personal crisis, developing a crisis management plan and/or as appropriate, seeking other supports to restore stability and functioning.

Provider qualifications: Must have a BA/BS degree or four years of equivalent education and/or experience working in the human services field. Certification in the State of Kansas to provide the service, which includes criminal, abuse/neglect registry and professional background checks, and completion of a standardized basic training program.

2. Psychosocial Rehabilitation (PSR) services are designed to assist the consumer with compensating for or eliminating functional deficits and interpersonal and/or environmental barriers associated with their mental illness. Activities included must be intended to achieve the identified goals or objectives as set forth in the consumer's individualized treatment plan. The intent of psychosocial rehabilitation is to restore the fullest possible integration of the consumer as an active and productive member of his or her family, community, and/or culture with the least amount of ongoing professional intervention. PSR is a face-to-face intervention with the consumer present. Services may be provided individually or in a group setting. The majority of PSR contacts must occur in community locations where the person lives, works, attends school, and/or socializes.

This service may include the following components:

- A. Restoration and support with the development of social and interpersonal skills to increase community tenure, enhance personal relationships, establish support networks, increase community awareness, develop coping strategies, and effective functioning in the consumer's social environment including home, work and school.
- B. Restoration and support with the development of daily living skills to improve self management of the negative effects of psychiatric or emotional symptoms that interfere with a person's daily living. Supporting the consumer with development and implementation of daily living skills and daily routines critical to remaining in home, school, work, and community.
- C. Implementing learned skills so the person can remain in a natural community location.
- D. Assisting the consumer with effectively responding to or avoiding identified precursors or triggers that result in functional impairments.

Provider qualifications: Must be at least 18 years old, and have an high school diploma or equivalent. Certification in the State of Kansas to provide the service, which includes criminal, abuse/neglect registry and professional background checks, and completion of a standardized basic training program.

3. Peer Support (PS) services are consumer centered services with a rehabilitation and recovery focus designed to promote skills for coping with and managing psychiatric symptoms while facilitating the utilization of natural resources and the enhancement of community living skills. Activities included must be intended to achieve the identified goals or objectives as set forth in the consumer's individualized treatment plan. The structured, scheduled activities provided by this service emphasize the opportunity for consumers to support each other in the

restoration and expansion of the skills and strategies necessary to move forward in recovery. PS is a face-to-face intervention with the consumer present. Services can be provided individually or in a group setting. The majority of PS contacts must occur in community locations where the person lives, works, attends school, and/or socializes. This service may include the following components:

- A. Helping the consumer to develop a network for information and support from others who have been through similar experiences.
- B. Assisting the consumers with regaining the ability to make independent choices and to take a proactive role in treatment including discussing questions or concerns about medications, diagnoses or treating with their treating clinician.
- C. Assisting the consumer with the identifying and effectively responding to or avoiding identified precursors or triggers that result in functional impairments.

Provider qualifications: Must be at least 18 years old, and have a high school diploma or equivalent. Certification in the State of Kansas to provide the service, which includes criminal, abuse/neglect registry and professional background checks, and completion of a standardized basic training program. Self identify as a present or former consumer of mental health services.

4. Crisis Intervention (CI) services are provided to a person who is experiencing a psychiatric crisis, designed to interrupt and/or ameliorate a crisis experience including an preliminary assessment, immediate crisis resolution and de-escalation, and referral and linkage to appropriate community services to avoid more restrictive levels of treatment. The goals of Crisis Interventions are symptom reduction, stabilization, and restoration to a previous level of functioning. All activities must occur within the context of a potential or actual psychiatric crisis. Crisis intervention is a face-to-face intervention and can occur in a variety of locations, including an emergency room or clinic setting, in addition to other community locations where the person lives, works, attends school, and/or socializes. This service may include the following components:

- A. A preliminary assessment of risk, mental status, and medical stability; and the need for further evaluation or other mental health services. Includes contact with the client, family members or other collateral sources (e.g. caregiver, school personnel) with pertinent information for the purpose of a preliminary assessment and/or referral to other alternative mental health services at an appropriate level.
- B. Short-term crisis interventions including crisis resolution and de-briefing and follow-up with the individual, and as necessary, with the individuals' caretaker and/or family members.
- C. Consultation with a physician or with other providers to assist with the individuals' specific crisis.

Provider qualifications: Must be at least 18 years old, and have an AA/AS degree or two years of equivalent education and/or experience working in the human services field. Certification in the

State of Kansas to provide the service, which includes criminal, abuse/neglect registry and professional background checks, and completion of a standardized basic training program.

5. **Outpatient substance abuse services** include an array of consumer centered outpatient and intensive outpatient services consistent with the individual's assessed treatment needs, with a rehabilitation and recovery focus designed to promote skills for coping with and managing substance abuse symptoms and behaviors. These services are delivered in a wide variety of settings and are nonresidential services designed to help individuals achieve changes in their substance abuse behaviors. Services should address an individual's major lifestyle, attitudinal and behavioral problems that have the potential to undermine the goals of treatment. Outpatient services may be indicated as an initial modality of service for an individual whose severity of illness warrants this level of treatment, or when an individual's progress warrants a less intensive modality of service than they are currently receiving. Intensive outpatient treatment is provided any time during the day or week and provides essential skill restoration and counseling services.

Provider qualifications: Must be licensed under K.S.A. 65-4601.

[Note: This reimbursement methodology will go several places:

4.19B #13.d ~ for Rehabilitation Services ~ replaces page 1; pages 2-3 will be obsolete

4.19B #6.d ~ for Other Practitioners Services ~ replaces existing psychologist/ARNP

4.19B #4.b – Add to EPSDT – for positive behavior support]

Reimbursement for services are based upon a Medicaid fee schedule established by the State of Kansas. Commercial third party payers and market rates will be considered when establishing the fee schedules. These reimbursement methodologies will produce rates sufficient to enlist enough providers so that services under the plan are available to recipients at least to the extent that these services are available to the general population, as required by 42 CFR 447.204. These rates comply with the requirements of Section 1902(a)(3) of the Social Security Act 42 CFR 447.200, regarding payments and consistent with economy, efficiency and quality of care. Provider enrollment and retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained. The Medicaid fee schedule will be equal to or less than the maximum allowable under the same Medicare rate, if applicable. If a service has no Kansas specific Medicare rate, Kansas will establish pricing based on similar services. Room and board costs are not included in the Medicaid fee schedule.

Reimbursement Methodology for Private Psychiatric Residential Treatment Facilities (PRTFs)

- 1.0 Each PRTF will submit a cost report made up of the following cost centers
 - 1.1 Administrative Costs including:
 - 1.1.1 Administrative staff salary and benefits
 - 1.1.2 Costs for business office functions, receivables, payables, accounting, auditing, legal, consulting, advertising, travel, etc.
 - 1.1.3 Insurance: liability and casualty
 - 1.1.4 Office supplies
 - 1.1.5 Licensing fees
 - 1.2 Facility Related Costs including:
 - 1.2.1 Maintenance staff salary and benefits
 - 1.2.2 Repair and up-keep supplies and outside contractors
 - 1.2.3 Utilities such as heating, cooling, water, sewer, garbage, communication, etc
 - 1.2.4 Real and personal property tax
 - 1.3 Property Costs including:
 - 1.3.1 Principle costs of mortgages or lease payments for buildings
 - 1.3.2 Interest cost of mortgages
 - 1.3.3 Depreciation
 - 1.4 Board Costs
 - 1.4.1 Housekeeping staff salary and benefits
 - 1.4.2 Housekeeping and household supplies such as linen, household supplies, laundry supplies,
 - 1.4.3 Dietary staff salary and benefits
 - 1.4.4 Food, food preparation and serving supplies, small equipment
 - 1.5 Support and Treatment Costs
 - 1.5.1 Direct support staff salary and benefits
 - 1.5.2 Professional staff salary and benefits
 - 1.5.3 Support and treatment supplies
 - 1.5.4 Employee training
- 2.0 Base Reimbursement Rate: A Base Reimbursement Rate for all PRTFs will be established by:
 - 2.1 The Base Reimbursement Rate for the first year of operation of these facilities will be determined by:

- 2.1.1 Requiring Level VI homes to submit cost reports consistent with that described above using information from their general ledger for the previous twelve months
 - 2.1.2 Calculating the average per diem for each cost center of the Level VI facilities
 - 2.1.2 Totaling the average amount for each cost center from the Level VI facilities to establish the base reimbursement rate
 - 2.2 In subsequent years, all facilities will submit cost reports based on the following schedule:
 - 2.2.1 Cost reports will be due to Kansas Social and Rehabilitation Services, Health Care Policy (SRS/HCP) by March 1st each year for the previous calendar year
 - 2.2.2 SRS/HCP will process the cost reports and calculate the new Base Reimbursement Rate which will be established July 1st each year
 - 2.3 New Base Reimbursement Rates will be determined in each subsequent year by:
 - 2.3.1 Calculating the average per diem for each cost center for all PRTFs
 - 2.3.2 Totaling the average amount for each cost center
- 3.0 Acute Care Non-Risk Payment: A payment will be made to the PRTF for Medicaid covered health care costs paid by the facility on behalf of the persons served while living in the facility which are not content of service. (Content of service are those services which are required to be included in the PRTF cost report.) This will be done as follows:
 - 3.1 The PRTF will submit acute care claims to Medicaid, using standard claims forms.
 - 3.2 Medicaid will process these claims through the MMIS claims system, determining payment or denial. Payment for services would be determined based upon Medicaid rates for the particular type of service involved.
 - 3.3 The MMIS claims system will include edits and audits that would not allow the PRTF to be paid for non-acute care.
 - 3.4 The MMIS claims system will include edits and audits that would not allow any provider other than the PRTF to be paid for any services while the beneficiary resides in the PRTF.
 - 3.5 The amount determined for payment based upon these steps will be paid to the PRTF and will be considered the final settlement for the acute care costs.
 - 3.6 Claims payment and denials are subject to appeal by the PRTF using existing appeal mechanisms.

4.0 Acuity Adjustment

- 4.1 Each person served by the PRTF will be assessed using a standard, valid, reliable, quantifiable assessment instrument prescribed by SRS/HCP. These assessments will be coincidental to the admission screening and subsequent continued stay reviews.
- 4.2 Facilities with acuity scores ranking above the 50th percentile will receive an additional per diem amount added to their reimbursement rate proportionally.
- 4.3 Facilities with acuity scores ranking below the 50th percentile will have their per diem reimbursement rate reduced proportionally.
- 4.4 Each facility will submit the most recent assessment data for all persons being treated in the facility on the first day of the calendar quarter. SRS/HCP will process the reports and make the Acuity Adjustment on the first day of the next calendar quarter.

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Other Practitioners' Service Limitations

a. Licensed Mental Health Practitioner:

A licensed mental health practitioner (LMHP) is an individual who is licensed in the State of Kansas to diagnose and treat mental illness or substance abuse acting within the scope of all applicable state laws and their professional license. A LMHP includes individuals licensed to practice independently:

- i. licensed psychologists,
- ii. licensed clinical marriage and family therapist,
- iii. licensed clinical professional counselor,
- iv. licensed specialist clinical social worker, or
- v. licensed clinical psychotherapist.

A LMHP also includes individuals licensed to practice under supervision:

- licensed masters marriage and family therapist,
- licensed masters professional counselor,
- licensed masters social worker, or
- licensed masters level psychologist.

Supervision must be provided by a person who is eligible to provide Medicaid services and who is licensed at the clinical level in the provider's respective discipline or is a physician.

All services have an initial authorization level of benefit. Services which exceed the limitation of the initial authorization must be approved for re-authorization prior to service delivery. Anyone providing substance abuse treatment services must be licensed under K.S.A. 65-4012, in addition to their scope of practice license.

Inpatient hospital visits are limited to those ordered by the consumer's physician. Visits to nursing facilities are noncovered. Visits to ICFs/MR are limited to testing and evaluation. All services provided while a person is a resident of an IMD are content of the institutional service and not otherwise reimbursable by Medicaid.

A unit of service is defined according to the HCPCS approved code set unless otherwise specified.

e. Advanced Registered Nurse Practitioner:

- Anesthesia services are limited to those provided by certified registered nurse anesthetists.
- Obstetrical services are limited to those provided by nurse midwives.
- An ARNP may be an eligible LMHP and can provide all services available to an LMHP that are within the ARNP's scope of practice according to the limitations specified above.
- Other services are limited to those in Attachment 3.1-A #5, Physician's Services Limitations

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